

Virginia Sheriffs New Officer Training



Accounting and Auditing Issues

December 2, 2015

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Objectives

- Provide an overview of the APA
- Discuss the APA's role in Auditing Sheriffs
 - State Account Audits
 - CPA Firm Specifications
- Discuss Sheriff's Accounting Manual
- Discuss typical findings from our audits

Overview of APA

- Legislative Branch of Government
- External Auditor for Commonwealth
- Local Government and Judicial Systems Specialty Team
- Staff located throughout the state that specialize in audits of courts and constitutional officers

APA's Role in Auditing Sheriffs

- Responsibility for publishing the Virginia Sheriff's Accounting Manual
- Annually set guidelines for the CPA firms of the localities to follow during their audits
- Annually perform our own audit of the state funds handled

VA Sheriffs' Accounting Manual

- Internal Controls
- Canteen Operations
- Inmate Trust Funds
- Work Release and Home/Electronic Incarceration
- Prisoner Reimbursements
- Medical Co-Payments
- Evidence
- Forfeited Property
- Confidential Funds
- Crime Prevention Programs and Donated Funds
- Court Support Services

APA Requirements for CPA Firms

- Chapter 3 of the 2012 Special Session Acts of Assembly includes audit requirements for any funds received by the local Sheriff.
- Auditor must identify all sources of funds, determine if internal controls are adequate, and if funds are deposited to an official account/remitted to Treasurer as required.

APA Requirements for CPA Firms

- Gain an understanding of the Sheriff's operations.
 - Procurement - the Sheriff must meet the minimum standards of the Virginia Public Procurement Act.
 - Personnel systems - the Sheriff must comply with applicable state and federal regulations and the Sheriff's internal policies and procedures.

APA Requirements for CPA Firms

- Determine whether the Sheriff has controls to ensure s/he:
 - complies with the *Virginia Sheriffs Accounting Manual*
 - complies with the Code of Virginia, Sections 15.2-1609 through 15.2-1625
 - safeguards all money
 - ensures proper accountability of funds and their disbursement

APA Requirements for CPA Firms

- The locality's independent auditor is required to submit a letter to the Auditor of Public Accounts annually providing assurance as to whether the sheriff has maintained a proper system of internal controls and records in accordance with the Code of Virginia.

APA Annual Audit Overview

- Sheriff's Internal Controls and Procedures Questionnaire
- Review documentation
 - Bank statements, reconciliations, canceled checks and checkbook for the audit period
 - Receipt books used during the audit period
 - Transmittal forms (usually Form 17's) prepared during the audit period

APA Annual Audit Overview

- Compare remittance to Treasurer per Sheriff's records to Treasurer's records.
- Look at timeliness of remittances
- Review bank statements; test for timely deposits

Commonwealth's Portion of Sheriff's Fees

Year	Total Collections
2011	\$9,662,477
2012	8,868,550
2013	8,587,374
2014	7,860,938

Common Audit Findings

- Deposit civil process fees timely
- Reconcile bank account monthly and have a review process
- Retain adequate documentation for receipts for civil processes (pre-numbered receipts and supervisory review recommended)

Common Audit Findings

- Properly charge for Sheriff's fees for serving out of state papers
- Properly calculate and report commissions on Sheriff's sales
- Obtain an appropriation prior to spending funds

Questions

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[http://www.apa.virginia.gov/Local
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